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SAM PHASED PROJECT (C-06-1022-010)

The purpose of this letter is to document the agreements reached concerning Clean Water Grant funding of the SAM project at our November 30, 1978 meeting which was attended by representatives of SAM, the Coastal Commission, the Attorney General's Office, the Regional Board, and the Division of Water Quality. The major agreements of that meeting are:

1. The Division of Water Quality will provide grant funding for a phased project. In order to implement a major improvement in water quality, the outfall, reclamation line, and conveyance facilities will proceed as soon as practicable as Phase I. The regional outfall will be redesigned to serve Montara, Granada, and Half Moon Bay, and the outfall concept approval will be amended to indicate a grant eligible flow equal to the combined Montara, Granada, and Half Moon Bay eligible peak wet weather flows. The outfall redesign is grant eligible. The reclamation line and conveyance facilities should proceed as designed. The Plan F conveyance facilities necessary for Plan A and the Division of Water Quality may require a credit for this increased cost if Plan A treatment facilities are eventually chosen. To determine the amount of this credit which would be subtracted from the Phase 2 grant funding of Plan A, a cost comparison between Plan F and Plan A conveyance facilities should be prepared prior to going to bid on the conveyance facilities.

2. The second phase of the project will be the treatment facilities. A cost-effectiveness analysis of Plan F versus Plan A will be performed after the local Coastal Plans determine reasonable population growth in the area upon which to base design capacity. The design capacity will not exceed the corresponding ultimate population identified by the LCP's. The cost-effectiveness analysis will compare Plan F versus Plan A configurations based on similar treatment plant reliability and service life. This planning comparison will be grant fundable only if the Division of Water Quality determines that Plan A is cost-effective based on federal regulations regarding cost-effectiveness analyses. If SAM chooses to pursue Plan A, the grant eligibility of the facilities design would be limited to the cost to design Plan A treatment facilities minus the cost which the Division of Water Quality has committed to fund for the design of Plan F treatment facilities.